

By: Schwertner

S.B. No. 248

A BILL TO BE ENTITLED

AN ACT

relating to the dissolution of a special utility district after the transfer of all obligations and services.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter H, Chapter 65, Water Code, is amended by adding Section 65.7271 to read as follows:

Sec. 65.7271. DISSOLUTION OF DISTRICT FOLLOWING TRANSFER OF ALL OBLIGATIONS AND SERVICES. The board may propose to dissolve the district and issue notice of a hearing on the proposed dissolution if the district's:

(1) certificate of convenience and necessity has been transferred to another political subdivision; and

(2) assets and liabilities have been transferred to or assumed by another political subdivision.

SECTION 2. Section 65.730, Water Code, is amended to read as follows:

Sec. 65.730. BOARD'S ORDER TO DISSOLVE DISTRICT. (a) For a dissolution hearing ordered under Section 65.727, if ~~[If]~~ the board unanimously determines from the evidence that the best interests of the persons and property in the district will be served by dissolving the district, the board shall enter the appropriate findings and order in its records dissolving the district. Otherwise the board shall enter its order providing that the district has not been dissolved.

1        (b) For a dissolution hearing ordered under Section  
2 65.7271, if two-thirds or more of the members of the board vote to  
3 dissolve the district, the board shall enter the appropriate  
4 findings and order in its records dissolving the district.  
5 Otherwise the board shall enter its order providing that the  
6 district has not been dissolved.

7        SECTION 3. This Act takes effect immediately if it receives  
8 a vote of two-thirds of all the members elected to each house, as  
9 provided by Section 39, Article III, Texas Constitution. If this  
10 Act does not receive the vote necessary for immediate effect, this  
11 Act takes effect September 1, 2017.